



The Torch

The official newsletter for Indiana state employees

State of Indiana Employees

Open Enrollment 2008

Choices That Matter

Begins October 29 and ends November 19 at noon

Some old, some new, here's an Open Enrollment preview

A little FYI (for your information) about Open Enrollment 2008:

Tobacco-free incentive

If you pledge to not use tobacco products during 2008, you can reduce your health insurance deductible by \$500. However, even if you participated in 2007, you will need to re-enroll to receive the incentive.

Life insurance

No change in carriers, your coverage (unless you want to change it, then you will need to make those changes during Annual Enrollment) or rates.

Eye care

No change to this year's vision insurance. State employees will still be covered under EyeMed Vision Care.

Flexible spending account (FSA)

You will need to sign up for this again, even if you had an FSA in 2007 and want to keep the same amount for 2008. Any balance left in the account does not roll over into the next year.

Dental plan

The dental plan has some great improvements to it for 2008. The annual maximum increases from

\$750 per person to \$1,000. The annual orthodontia lifetime maximum also increases from \$750 to \$1,125 per person. In-network coverage for preventive services increases to 100 percent and coverage for dental implants increases to 60 percent. Delta Dental remains as the provider for the plan.

Deadlines

You have until noon Monday, Nov. 19 to finalize your selections for 2008. Remember, the choices you make during Open Enrollment are ones you have to live with for the entire calendar year.

Review, review and review again. If you have family coverage, make sure all eligible dependents are enrolled in all the appropriate plans. Pay close attention to all instructions for dependents with disabilities and full-time college students.

Do the math

Study the plans offered this year and then calculate which plan best suits your needs. Look at premiums, co-pays or co-insurance, out-of-pocket maximums and contributions to HSAs, before you make your decision.

Questions about the benefits offered through Open Enrollment 2008?

Call the Benefits Hotline:

(317) 232-1167 (Indianapolis)
(877) 248-0007 (outside Indianapolis)

E-mail the Benefits Division:

spdbenefits@spd.in.gov

View the information online:

www.IN.gov/jobs/benefits
Login to PeopleSoft here

As more information becomes available, the Web site will be updated. Please check there frequently for the most current information.

PeopleSoft ID is necessary to enroll

To help state employees log in to PeopleSoft to successfully enroll for 2008 benefits, IOT Customer Service has put together a list of tips and tricks.

Know your PeopleSoft ID

- If you have a state-issued computer that is used only by you, (continued on page 3)

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Is an HDHP right for you?

For the calendar year 2008, the State of Indiana will offer three statewide health insurance plans: two High Deductible Health Plans (HDHP) and a traditional plan. Here is some preliminary information on each of the plans.

Make sure you check the Open Enrollment Web site frequently for more information and for the latest updates. That address: www.in.gov/jobs/benefits

Anthem HDHP1

This plan works hand-in-hand with a Health Savings Account (HSA). The deductible is \$2,500 for single coverage and \$5,000 for family coverage. By participating in the non-tobacco use incentive, the deductible will be reduced by \$500.

If you select this plan and are not covered by any other health plan (such as your spouse's health plan), the State will deposit \$1,375 for single coverage or \$2,750 for family coverage into your HSA. This money is deposited throughout the year and is not lump sum. There is no employee premium for this plan.

Anthem HDHP2

Another qualified plan that works with an HSA, the deductible is \$1,700 for single coverage and \$3,400 for family coverage. Again, by participating in the non-tobacco use incentive, the deductible can be reduced by \$500. Provided you are not covered by another health insurance plan (such as your spouse's or Medicare), the State will make regular deposits into your HSA. For single coverage, the deposits

Anthem 

will total \$935; family coverage will net \$1,870 for the year.

In 2007, the employee premium per pay period was \$14.26 for singles and \$36.88 for families. The premium for 2008 will be \$15.97 per pay for singles and \$43.58 for families.

Anthem Trad II

This traditional PPO plan is identical to what was offered in 2007. Former M-Plan participants will notice two

features that were not available in M-Plan II: a wider network of providers and an out-of-network benefit. By participating in the non-tobacco use, the deductible will be reduced to \$0. The 2008 rates are \$56.13 per pay for single coverage

and \$154.37 per pay for family coverage.

The key to making the right choice for health insurance plans is doing your homework. Employees who are more interested in taking charge of their health care and managing their own costs, are ideal candidates for an HDHP/HSA. If you are comfortable with a higher deductible in exchange for a lower fixed cost, an HDHP might be a good fit for you.

Log onto the Open Enrollment Web site and review each of the plans in detail. Compare and contrast what each plan offers with what the needs are of you and/or your family. After careful consideration, you may determine that an HDHP might be the right choice.

Health insurance rates for 2008 (per pay)

	Single	Family
HDHP 1	0	0
HDHP 2	\$15.97	\$43.58
Trad II	\$56.13	\$154.37

Flexible spending accounts Set aside money to cover un-reimbursed expenses

Eligible hospital/doctor/dental/vision and related prescription co-pay costs can work to your advantage. Even Lasik eye surgery costs not paid for by insurance can benefit you in many ways.

By enrolling in a Flexible Spending Account (FSA), you can set aside pre-tax dollars for eligible co-pays and save the tax dollars you would spend on these un-reimbursed expenses. For example, if you are in a 25 percent tax bracket, for \$1,000 set aside in an FSA, you're keeping \$250 – that's like getting a raise with the pre-tax deductions you allot.

Once you have established your FSA through payroll deductions, you will be issued a benefit debit card. That debit card can then be used at merchants to pay for your qualified expenses. Those expenses can be items such as prescriptions, co-pays, certain over-the-counter items. Using the debit card means your expenditures will automatically be approved and you will no longer have to send in forms and then wait to be reimbursed.

In addition to a medical FSA, you can also have an FSA to cover un-reimbursed dependent care costs. You can elect to put aside up to \$5,000 in each account.

If you want more details on these tax-savings accounts, go to www.keyfamily.com and click on the Flexible Benefits link on the left. View the "Give Yourself a Raise" presentation, which discusses in

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PeopleSoft ID is necessary to enroll

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click on the Help Desk Assistant icon located on your desktop (pictured below). The third box from the top contains your PeopleSoft ID.

- If you do not have a state-issued computer that only you use, but you work on the Indiana Government Center campus, find your ID number on the backside of your state-issued ID badge under the barcode at the bottom. Add the first initial of your first name to the last six digits of your ID number to create your PeopleSoft ID. For example, Joe Smith's ID number is 10000239272, so his username would be J239272.

- If you do not have a state-issued computer or a state ID badge, call your agency's human resources director for more information.

Remember your PeopleSoft password

- If you have a state-issued computer and access the Internet via

the state network, the password used to log on to your computer can now be used to log in to PeopleSoft while still using your PeopleSoft ID.

- If you have do not remember the password used to log in to your computer, you can use IOT's new Self-Service Password Reset to reset your password over the phone anytime. Enrollment is required so if you have not enrolled yet, go to passwordreset.iot.in.gov to get started.

- If you have not logged in to PeopleSoft in the past six weeks, your password has been reset to a default password which is the first initial of your first name, last four digits of your social security number and the first initial of your last name. Both initials should be capitalized. For example, the password for Joe Smith with Social Security # 123-45-7890 would be J7890S.

If all else fails

- Check out IOT's Open

Steps to resetting your password



Having trouble remembering your password? Well, you're not alone... every month, IOT customer service representatives field an average of 400 password reset requests each day. That's more than 100,000 requests a year.

To improve support to its customers, IOT Customer Service now offers the ability to reset your password over the phone 24 hours a day, seven days a week.* Customers must first enroll using the Password Reset System

online at passwordreset.iot.in.gov. After answering a few questions that are used to verify your identity, you will receive a confirmation e-mail that you are fully enrolled in the system.

If you forget your password anytime, anywhere, simply call IOT Customer Service at (317) 234-HELP or (800) 382-1095 and press "1" during the welcome message. Your call will be rerouted to an automated system that will reset your password for 15 minutes. But remember, you cannot use the new system until you have enrolled, so visit passwordreset.iot.in.gov to get started right now.

*A note to remote workers: the

Enrollment/PeopleSoft information page and FAQs at www.in.gov/iot/OE.htm.

- Contact your agency's human resources staff for guidance.
- Contact IOT Customer Service. ICS is bumping up its support during Open Enrollment to accommodate its customers. Call ICS at (317) 234-HELP (4357) or (800) 382-1095 or e-mail, ICS@iot.IN.gov.

Flexible spending accounts (continued from page 2)

detail many questions you might have. Enroll yourself and your family, as dependents, in the Flexible Benefit Spending Account option and put some hard-earned tax dollars back into your own pocket.

Remember, if you participate in a High Deductible Health Plan and have a Health Savings Account (HDHP/HSA), you may only enroll in a limited purpose FSA for vision and dental expenses.

enrollment application for Password Reset is not available to employees who are not connected to the state network. Please continue to call IOT Customer Service at (317) 234-HELP or (800) 382-1095 for any future password reset requests.



Answers to frequently asked questions



Q: I can't afford any increase in premiums for health insurance plans. What alternatives do

I have for providing healthcare for my family?

A: The State offers two health plans with low premiums. The High Deductible Health Plans (HDHP) offer 100 percent coverage for preventive services and if you establish a Health Savings Account (HSA) with the HDHP, the State will contribute money toward your deductible.

Q: What is my out-of-pocket maximum?

A: Out-of-pocket expenses are all those expenses you pay yourself. They include deductibles and any co-insurance or co-pays. Once you spend the 'maximum' for your plan, you move to 100 percent coverage. Out-of-pocket maximums for each plan are:

- **HDHP 1:** \$4,000 single; \$8,000 family
- **HDHP 2:** \$2,400 single; \$4,800 family
- **Traditional II:** \$2,000 per enrollee; \$4,000 family
- **Welborn:** \$2,000 per person; \$4,000 family

Q: If my spouse smokes but I don't, is my family still eligible for the tobacco incentive?

A: Yes, the Non-Tobacco Use Incentive is based on your pledge, as a State employee, to remain tobacco free.

Q: What are the differences between the HDHP 1 and HDHP 2 plans?

A: HDHP 1 has no employee premium. HDHP 2 has a small employee premium. However, the maximum out-of-pockets and the deductibles are higher with the HDHP 1.

Q: In addition to the bi-weekly payroll contributions to my HSA, can I also deposit money into the account?

A: Yes, up to the federal maximum (employee and employer combined) of \$2,900 for a single plan and \$5,800 for a family plan.

Q: Are preventive care costs covered under any of the insurance plans?

A: Yes, preventive care is covered 100 percent under the HDHP 1 and HDHP 2. Traditional II and Welborn have a flat co-pay, depending on the service.

Q: Can I still use my medical flexible spending account (FSA) in conjunction with my HSA?

A: Yes, but your medical FSA is limited-use, meaning that you can use it for dental and vision expenses.



Q: Do prescriptions contribute to my out-of-pocket maximum with the HDHP?

A: Yes, prescriptions do accumulate toward your out-of-pocket maximum with the HDHPs.

Q: What if I choose an HDHP and have a catastrophic event in January 2008? How do I pay for that?

A: As with any unexpected cost, you may want to establish a payment plan with the provider or pay the expense with a credit card and then reimburse yourself from your HSA, when there is sufficient money in the account.

Q: What is the discounted/negotiated rate and is it the same for all physicians or hospitals?

A: The discounted or negotiated rate is the fee for service the physician or facility has agreed to accept as

payment in full from an insurance company. For example, a hospital billed the patient \$1,023 for an emergency room visit, but Anthem's negotiated fee is \$622. The patient will owe the hospital \$622 and the hospital will accept that as payment in full. The negotiated rate varies by provider and is only applicable to in-network providers.

Q: If I haven't changed any of my information, do I have to do anything?

A: Yes, if you are participating in the FSA or making additional contributions to your HSA, you will need to re-enroll and elect a new contribution, even if it is the same as last year. Also, in order to receive the non-tobacco use incentive you must access PeopleSoft and agree to remain tobacco free in 2008. Regardless, it is always a good idea to access PeopleSoft and verify that all of your information and elections are accurate, including coverage for your over-age dependents who are full-time students.

Q: Where can I get information on rates and plans?

A: Rates, benefit plan descriptions and benefit summaries are posted on SPD's website at www.in.gov/jobs/benefits.

Q: What if I don't have computer access?

A: You can access the internet and PeopleSoft at your local library or your agency may have terminals available to you during the Open Enrollment period.

Q: Who do I call if I have questions?

A: If you need your PeopleSoft ID or PeopleSoft password, contact the IOT help desk at 317-234-HELP (4357). If you have questions about Benefits, call the Benefits Hotline at 317-232-1167 within the Indianapolis area or 1-877-

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More answers to FAQs

248-0007 toll free outside Indianapolis. Your agency's human resource office will also be able to assist you.

Q: When do the new rates take effect? And when will the deductions show up on my pay stub?

A: The new rates will take effect Jan. 1, 2008. Some deductions, like your health premiums, will begin on the Dec. 19 and Dec. 26 pay dates. The premiums will be pro-rated on the first check. Other deductions, like FSAs and HSAs, will not appear until your first pay date in January.

Q: If I change plans, do I have to notify my doctor(s)?

A: No, you do not need to contact your physician to make a plan change, but you will need to present your new plan ID at your next visit after January 1, so billings can be submitted correctly.

Q: Is the state going to give us another option in place of M-Plan?

A: The State will not replace M-Plan for the 2008 calendar year.

Q: What happens if I don't select a plan?

A: If you are currently enrolled in M-Plan or TRICARE Companion and you do not select a new plan, you will have no health insurance coverage for

2008. If you are in Anthem HDHP 1, HDHP 2, or Traditional II, your coverage will continue if you do not select a new plan.

Q: I signed up last year for the tobacco incentive; do I need to do it again, since I never have smoked?

A: Yes, last year you pledged to be tobacco free in 2007. This year during Open Enrollment, you must agree to be tobacco free in 2008 to receive the incentive.

Q: When do I call the benefits hotline and when do I call the insurance company?

A: Call the Benefits Hotline when you have any questions about benefits. A Benefit Specialist will direct you to contact the insurance company directly if your question is specific to the benefit plan. For example, if you want to know if your prescription for XYZ drug is a tier 2 or tier 3 drug, you should call the insurance company.

Q: How will employees receive notice about the Open Enrollment period and all its options?

A: Employees will receive an Open Enrollment communication on or before the Oct. 17 and Oct. 24 pay dates. All information will also be posted on-line at www.in.gov/jobs/benefits.

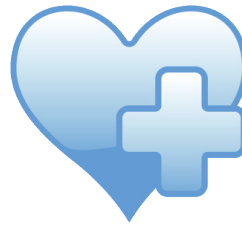
Q: If I had a qualifying event this past year, but missed the deadline to make the change on my health plan, can I change it during Open Enrollment? If so, when will it take affect?

A: Yes, Open Enrollment is the time to make changes to your plans and your dependents. Changes to your health, dental, vision, FSAs and HSAs will be effective Jan. 1, 2008. Changes to your life insurance will be effective Jan. 6 (B payroll) or Jan. 13 (A payroll), or in accordance with your pay, after evidence of insurability and has been submitted and your change has been approved by American United Life.

Q: Can I change plans during the year if I decide that I don't like what I've selected?

A: Unfortunately no, the plan you choose during Open Enrollment will be your plan until you experience a qualifying event that allows you to drop coverage or until the next open enrollment period.

Q: What are the changes to the dental



plan? Is it still the same provider, Delta Dental? Or is it someone else?

A: Delta Dental will still provide dental benefits for the State. The preventive benefit has increased to 100 percent and other benefits have increased as well. Check the full plan description online to review the entire dental plan or see the article in the September issue of *The Torch*.

Q: How do I sign up for benefits? Do I have to go online to do it and can I sign up from home?

A: To sign up for benefits, log-in to PeopleSoft using your User ID and password from any computer with internet access during the Open Enrollment period. You will then navigate through Open Enrollment to make new elections, change current elections or just verify your information. The Web address is www.in.gov/jobs/benefits.

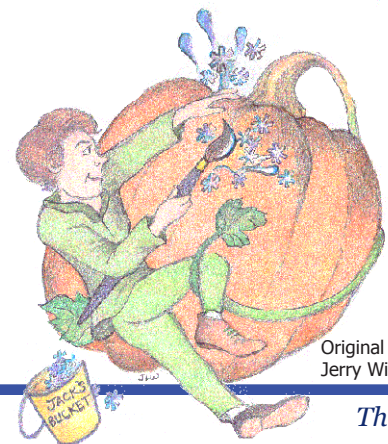
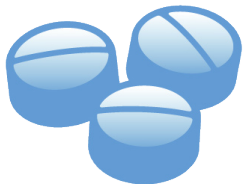
Editor's Note

Classifieds for October will be published in the November issue of *The Torch*.

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Visit www.in.gov/jobs/thetorch to subscribe using your personal e-mail address.



Original artwork by
Jerry Williams - SPD

Some towering facts about HSAs

The Health Savings Account (HSA) program has two parts: a high deductible health plan (HDHP) and an HSA.

What it is

- An HSA is an individual savings account in your name that allows you to set aside money for current and future medical expenses. It gives you the most benefit from your high-deductible health plan by allowing the use of pre-tax dollars in the payment of medical expenses. Unused funds that you retain in this account accumulate from year to year; there is no “use it or lose it” provision.
- Eligible expenses that may be paid from this account include doctor’s visits and prescriptions and dental and vision expenses. Your Tower Bank HSA also is an interest-bearing account.
- An HSA can only be established in conjunction with a qualified HDHP. You must choose one of the State of Indiana’s qualified plans (HDHP I or HDHP II) in order to be eligible to open an HSA. Other eligibility rules may also apply.
- Individuals who are enrolled in Medicare, who can be claimed as a dependent on another person’s tax return, who have other insurance coverage that is not a qualifying HDHP, or who have received VA benefits within the previous three months are not eligible to open an HSA. Visit the Tower Bank Web site at www.towerbank.net or call 888-HSA-TOWR for details about eligibility and other HSA information.

How it works

NEW HSA Participants	CURRENT HSA Participants
<ol style="list-style-type: none">1. Choose your State of Indiana medical plan, either HDHP1 or HDHP2, for 2008 via PeopleSoft.2. While still in PeopleSoft, choose the corresponding HSA and the amount you plan to contribute per pay.3. Click the link for Tower Bank or go to hsa.towerbank.net to complete an online application and open your HSA.	<ol style="list-style-type: none">1. Choose your State of Indiana medical plan, either HDHP1 or HDHP2, for 2008 via PeopleSoft.2. While still in PeopleSoft, choose the corresponding HSA and the amount you plan to contribute per pay.3. STOP. If you have already opened a Tower Bank HSA you do not need to do anything further. You will continue to use your existing account.

Why select it

- You will pay lower medical insurance premiums.
- HSAs provide tax savings three ways – pre-tax contributions through payroll deduction, tax-free earnings (interest) and tax-free withdrawals for qualified medical expenses. Unlike other savings or retirement investment vehicles, if used for approved medical expenses, you will **not** pay tax on the money spent from your account.
- You control your funds. You decide how much of your own money to contribute to the account, which medical expenses to pay and whether to save the money in the account for the future or use it for current expenses.

Look for more Open Enrollment **e-Facts**
in your e-mail inbox!

